

Rheinmetall AG: Executive Board decides to sell activities of the civil division Power Systems – Target is sale in the first quarter of 2026; update of outlook for continuing operation

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Düsseldorf, 17 December 2025 – As part of the strategic development of the Rheinmetall Group, the Executive Board of Rheinmetall AG has decided to focus the company's activities on the military business and is seeking to sell its civil business activities. Based on the offers received, the Executive Board of Rheinmetall AG has decided to initiate the sale process for the civil division. The transformation of individual plants in the civil business to Group activities in the field of defence and security applications, which has already begun, remains unaffected by this.

In its search for solutions for the activities of the civil division Power Systems, the Executive Board of Rheinmetall AG has been in talks with potential interested parties since April 2025. Based on the binding offers received, the Management Board decided in December 2025 to negotiate the sale with two bidders and is aiming to sign a contract in the first quarter of 2026. In addition to the Power Systems division, the activities to be sold also include companies directly related to it from the area of other non-operating entities.

As a result of the Executive Board's decision, the activities to be sold are classified as discontinued operations with immediate effect in accordance with the provisions of IFRS 5. In this context, a non-cash impairment loss in the amount of EUR 350 million is to be recognised for the discontinued operations. Due to the allocation of the impairment to the discontinued operations, this impairment loss has no impact on the liquidity or earnings of the Group's continuing operations.

As a result, the key performance indicators for the Rheinmetall Group will be reported exclusively for continuing operations from the fourth quarter of 2025 onwards. Taking this new reporting structure into account, the following annual forecast results for the 2025 financial year: Rheinmetall expects sales growth of between 30% and 35% for the 2025 financial year (pro forma sales in 2024: €7,712 million) and an operating margin of between 18.5% and 19.0% (pro forma operating margin 2024: 18.0%). Operating free cash flow from continuing operations is expected to be significantly above the previously assumed cash conversion rate of 40% for the reporting

year.

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End of Inside Information

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